
Association of
Personal Injury Lawyers
Report & Accounts
2014



Contents

2 APIL Aims & Objectives	3 President's Report <i>To quote the Greek poet, Euripides – "The good and the wise lead quiet lives"</i>	5 Secretary's Report <i>In 2014 I served my seventh year on the APIL EC but....</i>
7 Chief Executive's Report <i>2014 began with fear and uncertainty about a raft of changes which were imminent.</i>	9 Annual Review <i>APIL met with ministers, shadow ministers, and parliamentarians from across political parties throughout the year.</i>	
23 Financial Report <i>The surplus has been generated in another year of change for our members</i>	26 Report of the Executive Committee	28 Independent Auditor's Report
30 Financial Statements	35 APIL Officers & Executive Committee Members	

Aims & Objectives

Aims

- Believes passionately that victims deserve committed, well trained lawyers to support their fight for justice;
- Understands that injured people can often be the most vulnerable in society and need help;
- Campaigns to make a tangible difference to the lives of injured people and society as a whole;
- Reassures victims and acts fairly with honesty and integrity;
- Drives up standards in personal injury law and process, encouraging innovation and efficiency;
- Is 'not for profit' and does not seek to make money out of the misfortune of injured people;
- Treats law as a rewarding vocation, not a job, and encourages its members to thrive in their work.

Objectives

1. To promote full and just compensation for all types of personal injury;
2. To promote and develop expertise in the practice of personal injury law;
3. To promote wider redress for personal injury in the legal system;
4. To campaign for improvements in personal injury law;
5. To promote safety and alert the public to hazards wherever they arise;
6. To provide a communication network for members.

President's Report

In my speech to the APIL conference upon becoming president, I said that I hoped the worst of the Government's reform agenda was behind us. I hoped that we could shift into a new gear, to drive pro-active reform which will really benefit injured people.

While the Government reforms continued to accumulate, it was clear that even before official electioneering begins in 2015, the parties have been developing their policies, so APIL has ensured that its manifesto was made known to all the main parties.

We began with our campaign to improve the way in which the law deals with psychiatric injury in secondary victims and to change bereavement damages in England and Wales, so that it is no longer cheaper to kill than to maim. We also want proper care for patients: APIL produced a five point plan to help eradicate pressure ulcers this year – this needless injury costs the NHS around £2bn a year. This is just a start: these are long term campaigns and results may take some time to achieve.

This year also saw APIL taking a more pro-active approach to intervening in appeals and judicial reviews, with the aim of clarifying issues of concern to the membership and their clients as well as ensuring the injured person's voice was heard, in a broader context, in these cases. These include HMRC v HM Senior Coroner for City of Liverpool, Yates v HMRC and APIL, along with consideration of an intervention in the case of Coventry v Lawrence, due to be heard by the Supreme Court next year. APIL took part in discussions with the Ministry of Justice to improve the way mesothelioma claims are conducted and we emphasised to the Civil Justice Council the unintended consequences of the relief from sanction approach following the Mitchell v NGN decision. We continued to press the Lord Chancellor to complete his review of the discount rate. The failure to review is regrettable and unwelcome, causing hardship for seriously injured people.

I also gave evidence to the House of Commons Public Bill Committee, assembled to hear evidence about the Social Action, Responsibility and Heroism Bill. We argued the Bill is a dangerous encouragement to cut corners and generate recklessness, and it remains so. The Bill seeks to address a problem of perception rather than reality. The Government needs to move away from its growing trend of introducing legislation based on perception. Education not legislation is the answer to errors of perception. The whiplash reforms under discussion this year are yet another example of this. The false perception that claimants are bogus misses the point that most claimants have suffered painful injuries and their long term effects.

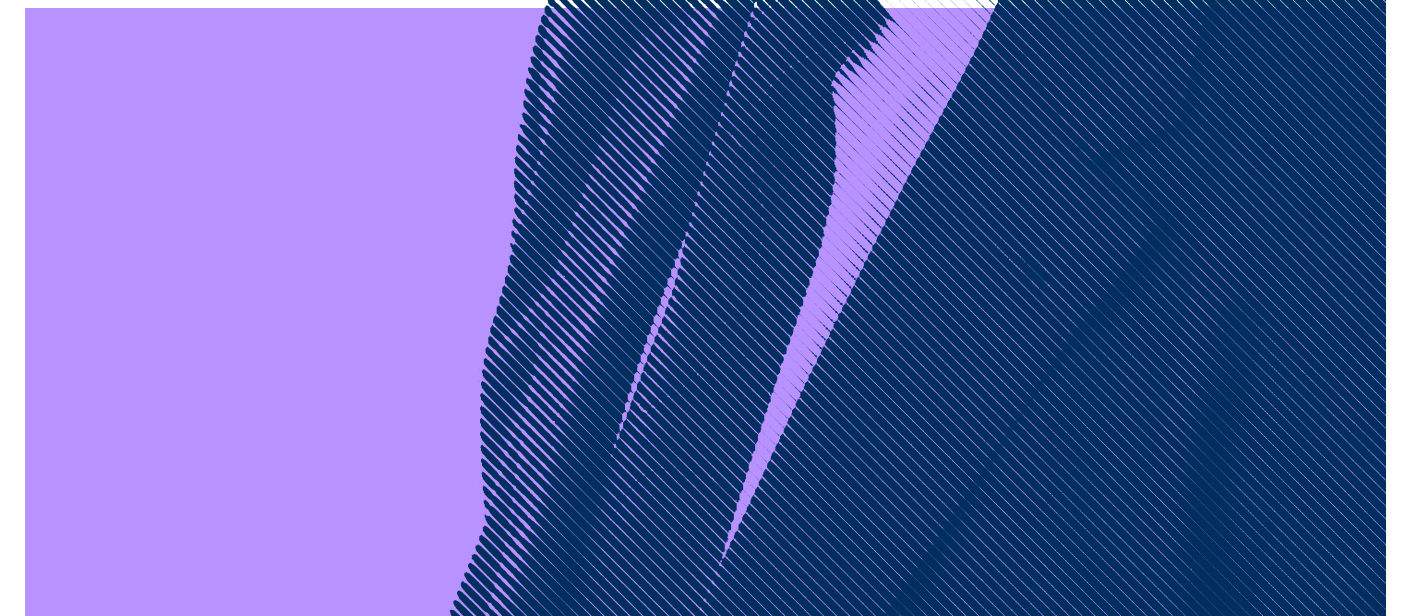
An issue which has occupied me for some time, and on which I have written extensively, is the departure from ethical behaviour in professional and public life. "Integrity has no need of rules" said the French writer Albert Camus. He was right. We do not need a continuing barrage of extra legislation and red tape: my hope is that next year, the new Government instead offers leadership in ethical behaviour: the need is overdue and urgent.

As members of APIL we must ensure that the injured person is put back at the forefront of the process. This is what the agenda should be: we seek to ensure that at every turn the focus is on how we deal with injured people: offering compassion, restitution and care, rather than criticism based on false perceptions

John Spencer
President



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Secretary's Report

In 2014 I served my eighth year on the APIL EC and my second as secretary. It was a challenging year for those of us representing the interests of injured people. The Government continued to press ahead with its tort reform programme, with APIL making representations at every opportunity throughout.

A challenging year too in terms of APIL's membership: the number of firms represented by the membership fell by over 100 as the market continued to consolidate and contract. Despite this, membership numbers held up better than expected in this difficult time of reform and change.

In Nottingham, the average staff head count for the year was 27 and once again, I have been pleased to see the dedication and enthusiasm of the APIL team, providing support to the executive committee and the membership, carrying out much of the work that makes the organisation effective. This includes parliamentary lobbying and consultation responses, press and policy work, research, organising and delivering conferences and courses every week up and down the jurisdictions.

The executive committee comprises four officers and 14 additional officers, all of whom give up their spare time to work for APIL. The EC met eight times this year, member firms offering their meeting rooms and facilities. In addition to these meetings, much of the EC's work is carried out in

working groups, attending meetings and liaising with other organisations, speaking at courses, conferences and other training events.

This year we said farewell to Karl Tonks (immediate past president), and Robert Webb and welcomed new EC members Brett Dixon, Stephen Glynn, re-elected Cenric Clement-Evans and Martin Hanna. Additionally, Neil Sugarman was co-opted back on to the EC after standing down and not seeking re-election, to fill a seat which remained unfilled after the elections.

The EC is a close knit, hard working group and we don't like to lose valued colleagues every year but the election process means that we are looking forward to welcoming new lawyers onto the committee. Last year the AGM voted to approve a resolution that EC members are limited to serving no more than three consecutive terms, which will, we believe, encourage new ideas and fresh faces, continuing to energise the association.

Stuart Kightley
Secretary



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“APIL’s membership remained strong during 2014 despite external challenges to the sector, and conferences and training were well attended and well received”

Chief Executive's Report

2014 was an exceedingly busy year for APIL. Legal reform at Government level focussed on fighting fraud – in particular whiplash fraud. The Governments' approach was multi-faceted. The management of medical experts was intended to improve the quality of medical reporting, reduce cost, and to break links between firms and the medics, and the medical expert and the treatment provider.

APIL, as an expert in accreditation, played a small part in the inception of an accreditation standard for medical experts, although of course the medics will have the final say in the detail. APIL also challenged the reforms where appropriate, seeking QC's advice around concerns on randomised selection of experts and the impact on the injured person, firms and experts. This is a far from ideal scenario which APIL is striving to influence. APIL will be represented on MedCo moving forwards.

APIL collaborated during 2014 to develop data sharing between insurers and claimant lawyers with regards to the previous claims history of the potential client. The CUEPI database is being developed to enable the lawyer to identify potentially fraudulent cases before they begin.

But 2014 was not spent dancing to the Government's agenda. APIL is constantly pushing to improve the experience of the injured person, and as such has been working to develop the Serious Injury Guide – an updated, user friendly version of the multi track code – to put the needs of the seriously injured person at the heart of the legal process. We have also contributed to the review of the rehabilitation code, and our own rehabilitation guide. All of these will be launched in 2015.

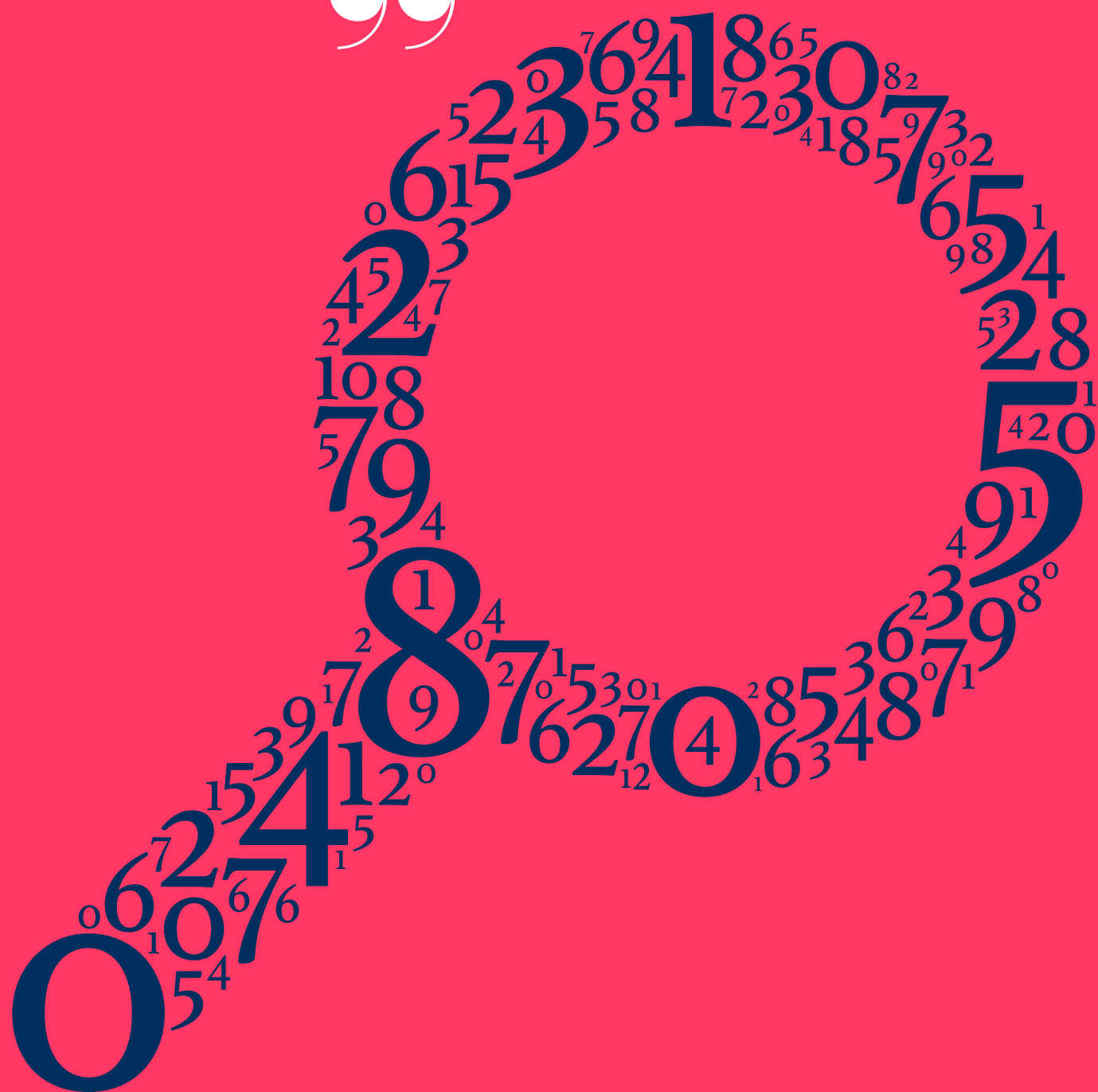
The year also heralded the appearance of five key Government bills - some positive, some deeply concerning - which led to significant lobbying activity. The Medical Innovation Bill, the Social Action Responsibility and Heroism Bill, and the Criminal Justice and Courts Bill all present challenges for the injured person – looking to protect the defendant from allegations of negligence in various circumstances and removing the principle of 'polluter pays'. The Deregulation Bill and the Insurance Bill bring more positive changes.

APIL's membership remained strong during 2014 despite external challenges to the sector, and conferences and training were well attended and well received. Technical training and up to date knowledge remain the cornerstone of a good professional, able to provide the best advice and get the right settlement for the client. Accreditation went from strength to strength, with members taking the opportunity to become recognised in their specialist areas. We have a membership to be proud of.

Deborah Evans
Chief Executive



After a year of intense media interest in whiplash claims, the small claims court limit and the so-called ‘compensation culture’, 2014 provided an opportunity for APIL spokesmen to re-group and talk about other issues



Annual Review

Publishing and publications – paper and online

Experts and rehabilitation services directory

As at 31 December 2014 748 experts were registered on the database which is accessible via the APIL website and in the form of a directory. Of those, 368 chose an enhanced listing, while 380 opted for the standard version. Additional income from advertising was secured to cover the production costs of the expert and rehabilitation services directory.

APIL Guides

We continue to review our ‘Guide’ series of practical publications for practitioners. A second edition to ‘Clinical Negligence’ and a new ‘Guide to Costs and Funding’ were published for APIL by Jordan Publishing this year, with at least four new titles or editions planned for 2015.

PI Focus

APIL’s membership magazine is published ten issues during the year, featuring a diverse mix of articles by leading solicitors, barristers, experts, management consultants and other professionals. Topics ranged from regulatory change affecting consumer contracts, to case law developments in asbestos and foreign RTAs, through to management issues such as staff recruitment and profitability, and guiding members through the changing landscape relating to compliance with court orders and relief from sanctions. Advertising income remained at a healthy level this year.

Information Exchange Service and discussion forums

Discussion forums and the information exchange service allow members to interact with each other and the APIL office either through online conversations or by direct contact (phone/email). APIL offers a comprehensive resource to the membership which includes searchable online practice documents and case notes which provide information on a variety of relevant subjects, along with the expert database, insurer search facilities, an archive of past issues of JPIL, APIL’s quarterly publication for personal injury lawyers, solicitor and barrister search functions, and various guidance and codes.

Website and online activity

- Developments have included:
- Significant investment in online advertising via Google Adwords;
- New accredited lawyers pages listing those with individual and specialist accreditations;
- Improved search criteria for case reports, practice documents and JPIL archive;
- New consumer pages including ‘myths about compensation’ and pressure ulcers;
- More guidance on particular types of case;
- Blog entries from legal practitioners;
- Further development of a fully transparent complaints process and feedback area.

While the number of people using the website has remained static over the past year, several sections of the website have seen significant increases in traffic including to the mobile site, the lawyers’ homepage (up 32 per cent), lawyers search page (up 13 per cent) and case reports (up 15 per cent).

Events and networking

Groups

With 39 special interest and regional group meetings being held during 2014, these meetings continue to be one of the many benefits of membership. That said, the number of delegates attending group meetings overall has decreased this year from 1,788 to 1,163.

Training

A total of 73 one-day training courses were delivered nationally this year. APIL's Spring and Autumn PI updates have continued to be extremely popular with an overall total of 898 members being trained through these alone.

A further seven one-day conferences were also held in 2014, including a new Autumn conference and two costs and funding conferences in London and Manchester. APIL's Autumn conference was held in the beautiful Church House Conference Centre, Westminster, attracting 90 delegates who had the opportunity to hear from Andy Slaughter MP and a lively debate excellently chaired by Joshua Rozenberg, legal commentator, journalist and former BBC legal correspondent. The conference also had a supporting exhibition.

In-house training

Demand also continued for our in-house training course provision; 37 courses were delivered to firms across the UK.

Webinars

We ran 22 webinars covering key areas in personal injury. Four free-of-charge quarterly reviews were provided this year as a new benefit of membership offering four hours of CPD.

Special events

Another very successful golf day was held prior to our annual conference in April at the Celtic Manor Resort, Newport. Sponsored by Just Costs, it was fully subscribed with 22 teams and we were delighted to be able to donate £1,000 to our nominated charity, UKABIF.

The annual conference and AGM was enjoyed by 192 delegates, around 40 speakers and 130 exhibitors on 64 stands. The conference opened with the AGM and was followed by a keynote address by Andrew Grech of Slater & Gordon, Australia, and a presentation from Professor Richard Susskind OBE.

For 2014 we upgraded the catastrophic injuries



Delegates at 2014 AGM



Top: John Spencer addresses the annual conference with his inaugural presidential speech. Left: Karl Tons (centre) receives honorary life membership. Right: (L-R) John Spencer and John McQuater become Senior Fellows of APIL.

conference, so that the content was more advanced, re-naming it the advanced brain and spinal cord injuries conference. It was held at the Cotswold Water Park Four Pillars Hotel, Gloucester, and attracted 105 delegates, nearly double the number from the previous year. In support, we had 20 exhibition stands, and five sponsorship packages.

Our fully booked Autumn clinical negligence conference covered the theme of general surgery and was held at Heythrop Park, Oxford. Delegates had an opportunity to listen to over 20 expert speakers in the field.

Law reform

England and Wales overview

The Civil Justice Council started to examine the effect of the costs and case management reforms. The association took the opportunity in January to reiterate the fact that the full impact of changes introduced by the Legal Aid, Sentencing and Punishment of Offenders Act 2012 (LASPO),

coupled with the changes to the protocols, introduction of fixed fees outside of the portal and introduction of Enterprise and Regulatory Reform Act were yet to be fully felt by injured people, but that there would be a profound effect on the cases that were successfully brought in the future. A damages based agreements working party has also been reconvened and APIL has secured a seat on the group which is expected to report next year.

Whiplash

The Government whiplash roundtable in January launched the start, in earnest, of the discussions about reforming the way in which medical evidence was obtained in these cases. The Government promised reforms would be developed 'at pace' and they certainly have been. APIL secured a representative from our Executive Committee on the steering group and on the two sub-groups.

Fixed fees for whiplash reports soon become a Government priority with reduced fees being agreed between insurer representatives and



It is an opportunity however, for the claimant community to show we are committed to tackling fraud and that we are open and transparent in the way in which we deal with our clients and their claims.



medical experts. APIL's view that the fees should not be fixed until the facets of the medical examination and report were agreed was parked for later discussion. In the organisations view these were key to meeting the Government's own aims of tackling fraud. APIL's calls for banning of pre-medical offers has been largely ignored by Government despite them being committed to tackling fraud.

The second stage of reforms commenced in September with the Government focussing on independence of medical experts and accreditation. APIL continued to press Government officials for robust accreditation and not just a registration system. Accreditation of medical experts will become mandatory in 2016.

APIL was concerned about the effects of random selection of experts would cause market distortion to such an extent that it might prove unlawful. As a consequence, along with the Law Society and MASS, we instructed a competition counsel for urgent advice. Mark Brealey QC (Brick Court Chambers) advised on this and other related competition concerns.

Fraud data sharing

APIL, along with other claimant organisations has been in discussions for some time now with the ABI about sharing fraud data. Insurers have historically been very resistant to the idea of sharing data with the claimant community. However, this year, following pressure from the Transport Select Committee and Ministry of Justice the ABI agreed to share data with the claimant lawyers. APIL sees the data sharing initiative as a positive step, but recognises that at a time when portal fees are low and there is the uncertainty as to when and how much the user pays fee will be, this is an additional worry for its members. It is an opportunity however, for the

claimant community to show we are committed to tackling fraud and that we are open and transparent in the way in which we deal with our clients and their claims. The search will go live in June 2015.

Enterprise & Regulatory Reform Act 2013

Section 69 of this Act came into force on 1 October 2013. APIL took advice firstly from senior counsel in England and Wales and subsequently from James Wolffe QC in Scotland on ways in which to challenge the implementation of this section. The reforms amend health and safety legislation: a breach of duty imposed by health and safety regulations is no longer actionable in the civil courts unless the regulation says so. The effect is that most workers seeking personal injury compensation as a result of accidents at work are no longer be able to rely solely on a breach of health and safety regulations to establish liability. Instead, they will have to show that the employer was negligent, rather than having committed a statutory breach.

APIL lodged a formal complaint with the European Commission in April 2014 arguing that by implementing s. 69 Enterprise and Regulatory Reform Act 2013, the UK is in breach of its obligations under the Second Framework Directive [89/391/EEC]. The Commission received two more similar complaints but in October this year, it wrote to confirm that having considered the complaints, it was not possible to establish the alleged directive infringement.

HMRC work histories/mesothelioma claims

As well as the two interventions outlined on pagex (Yates and also Liverpool Coroner) APIL has also been working with the Ministry of Justice to find a longer-term solution to the problems created by the HMRC policy change which affects

claimants' ability in fatal personal injury claims' to obtain a full work history from HMRC. An amendment to the Deregulation Bill is currently passing through Parliament.

Additionally, work with the MoJ has focussed on improving the claims processes for these claims: APIL assisted with a round-table discussion of all practitioners involved in these types of claims at the MoJ, and work continues into the coming year. Bridget Collier, APIL executive committee member now sits as the APIL representative on the oversight committee for the diffuse mesothelioma payment scheme. After working with the DWP on guidance for the scheme, APIL also produced its own guidance for members this year, to assist members when making applications for their clients.

Guideline hourly rates

The Civil Justice Council (CJC) costs committee had started to examine guideline hourly rates (GHRs) in 2013 and in 2014, the process continued. In January APIL was invited to give oral evidence to supplement its written submissions to the CJC. After a long wait, in June the Master of the Rolls (MR) decided not to accept the majority of the CJC's proposals for GHRs. Better data is required, he said, and 'urgent discussions' with the Law Society and Government about how to obtain that evidence are planned. In the meantime, GHRs remain set at an out of date level.

Discount rate

Since APIL's judicial review application in 2011, no decision on the discount rate has yet been made public by the Lord Chancellor. It is now over three years since the Lord Chancellor said to the Administrative Court that "his decision will be made as promptly as practicable."

In an attempt to end the delay, APIL wrote to the Lord Chancellor in July urging him to review the discount rate with a view to starting a fresh judicial review if necessary. The Ministry of Justice responded with details of a new committee it proposed to set up to assist the Lord Chancellor's review. So far, that panel has not been set up. APIL will continue to press for a review of the rate in 2015.

Mediation

APIL is currently working with FOIL and MASS on a mediation initiative, which will assist practitioners in their choice of mediator. The register of mediators being developed will assist the injured person in locating a mediator with personal injury experience. A website is currently being developed to house a register of approved mediators. There will be a permanent Users'

Committee comprising lawyers and insurance claims professionals, and this will be made up of three defendant and three claimant orientated users. This project is expected to go live in 2015.

Rehabilitation

We are currently revising the APIL Best Practice Guide to Rehabilitation with a view to launching the new version in April 2015. The guide will be brought up to date, in line with the changes to the running of personal injury cases that were brought in as part of the Jackson reforms, and also following the introduction of the Care Act, which comes into force in April 2015.

APIL has also been involved in the re-write of the Rehabilitation Code that is currently being undertaken by IUA-ABI Rehabilitation Working Party. Consultation on the new proposed Code is expected in 2015.

Consultations

APIL responded to 21 consultations across the jurisdictions in 2014, with the aim of highlighting the needs of injured people and ensuring access to justice for all. All of APIL's consultation responses can be found on the Association's website under Campaigning and Consultations and Responses.

Court fees

Early in 2014, APIL responded to the Government's proposals to reform the court fees structure. APIL believes that full costs recovery should not be a main focus when setting court fees. The court system operates for the public good, and should therefore be funded by taxation, with users paying a contribution towards costs. The courts are a benefit to the whole of society, and have a social function in allowing everyone to obtain access to justice. Further, APIL is strongly opposed to the Government's proposal to charge enhanced fees for unspecified money damages cases, as it is morally unjust for the Government to profit from a user's unfortunate circumstances which have led them to turn to the court for assistance.

Statutory duty of candour

This was a Department of Health consultation which APIL welcomed: the proposal to introduce a statutory duty of candour. APIL believes that health and adult social care providers should be open and honest when something goes wrong, as this is what most people want when a mistake occurs. The duty of candour has applied to

NHS health and social care providers since 27 November 2014. It is expected to apply to all non-NHS providers in England in April 2015.

Health and safety: the self employed

2014 was another year of change for health and safety law, with further consultation by the HSE on the proposed exemption of self-employed people from the scope of health and safety regulation. In response to a consultation asking for views on the proposed list of self-employed persons who would not be exempt from health and safety law, APIL reiterated that the self-employed workforce is sizeable and growing, and deserves the same protection regarding health and safety as employees. APIL highlighted that the proposed “prescribed list” is incomplete, and would result in far more confusion than at present. Alarming, anyone who works with children, or drives a vehicle as a main part of their work is not included on the list, and would therefore be exempt from health and safety law under the proposed approach.

Approved codes of practice (ACOP)

On a more positive note, APIL was encouraged by the latest draft ACOPs. The new ACOPs for the Provision and Use of Work Equipment Regulations, and for the Lifting Operations and Lifting Equipment Regulations, are clearer and provide more up to date health and safety information than the current versions.

Interventions

Every year APIL is approached by lawyers – members and non-members who would like APIL to intervene or otherwise become involved in their client’s appeal. APIL executive committee also unilaterally decide that the association should make applications to intervene or to commence judicial review proceedings where appropriate. This year, APIL was particularly active in this sphere:

HMRC v HM Coroner for the City of Liverpool & (1) Estate of Roderick Carmichael, deceased (interested party) (2) APIL (intervenors)

Following a change of policy by HMRC which made it impossible for personal representatives of the deceased to obtain a work history without a High Court order, the Senior Coroner for Liverpool issued notices against HMRC for the information. In the subsequent judicial review APIL successfully applied to intervene and ensure that the wider effects of the policy decision on all fatal personal injury claims were put before the court. The decision made new law relating to the

coroner’s powers to investigate and ability to bind the State.

Yates (PRs of the estate of Gladys May Dalton, deceased) v (1) Revenue & Customs Commissioners (2) APIL

Following on from its intervention in the Liverpool Coroner JR, APIL agreed to join as second defendant in this application. Yates was taken as ‘a sample case’, asking the Master to set out an interim procedure to apply to asbestos disease claims, where the claimant sought disclosure from HMRC of the deceased’s employment history. An interim procedure was set out by Master McCloud and the parties were praised by the court for their co-operative stance in these proceedings.

Coventry v Lawrence

The executive committee debated whether to intervene in this appeal to the Supreme Court. The case questions the validity of the Government’s old-style CFA reforms in the light of European law. The Law Society and Bar Council are taking the lead as two of several intervenors and making note of Lord Hoffman’s warning, In re E (a child)[2008] UKHL 66, APIL decided to offer support to the intervening parties as appropriate. Instead, background documentation from APIL’s archive has been provided to one of the intervening groups and the progress of this appeal continues to be monitored.

Other applications: Three other requests for APIL to intervene or otherwise take part in appeals were considered by the APIL officers, but were declined as they did not fit criteria set out to deal with such requests. As the year closes, one further potential application to intervene remains under consideration.

Association of District Judges

APIL met with Her Majesty’s Association of District Judges and FOIL twice this year for useful discussions on relief from sanctions, infant awards and success fees, the portals, costs budgeting, issues arising from the Salford county court.

Criminal Injuries Compensation Authority (CICA)

An APIL representative attends regular policy and equality forums at the CICA. This year those forums included a day-long session where the CICA staff were encouraged to quiz the board members and discuss in an informal setting ways in which the scheme’s communications with applicants and their legal representatives can be improved.

Law reform: Scotland

Focus in Scotland this year was on fatal accident inquiries and improvements to the pre-action protocols for personal injury. In response to the Scottish Government’s proposals to reform Fatal Accident Inquiries legislation, APIL welcomed plans to introduce preliminary hearings and pre-hearings of experts to help reduce delays. A prospective Bill on Fatal Accident Inquiries is to be introduced by the Government during the current parliamentary session. The Scottish Civil Justice Council also consulted on whether the voluntary pre-action protocol for personal injury should be made compulsory. APIL supports the proposal to make the protocol compulsory, and stressed in a response that effective sanctions should be put in place to ensure that documents are disclosed in a timely manner. APIL also suggested that further improvements could be made to the pre-action process as a whole, and a ban on pre-medical offers should be introduced.

Law reform: Northern Ireland

Reform of legal aid continues in Northern Ireland. APIL is currently responding to a second review of Access to Justice – highlighting that legal aid ensures access to justice and an equality of arms between the claimant and defendant, whilst also ensuring good value for money as most legally aided cases are successful and therefore result in no cost to the legal aid fund. Beyond legal aid reform, APIL has also highlighted the need for a proper reporting system in response to a HSENI consultation on RIDDOR reporting requirements. Accidents

should be recorded so that dangerous workplace practices can be noted and addressed, and future accidents can be prevented.

Parliamentary campaigns

Throughout 2014, APIL continued its regular programme of meetings with ministers, shadow ministers, and parliamentarians from across political parties and jurisdictions. The association’s briefings were well-regarded, and APIL was mentioned in debate at Westminster at least once a month, on average.

Mesothelioma Bill

MPs started the year by passing the Government’s Mesothelioma Bill, which has established a fund of last resort for some sufferers of mesothelioma who are diagnosed with the disease on or after the 25 July 2012. The final stages of the Bill’s passage included an unsuccessful cross-party campaign to change the eligibility start date to 10 February 2010, the date when the previous Government launched its consultation on a fund of last resort. APIL continued to lobby MPs on the Bill, with APIL’s briefings being referenced during debates on the Bill.

Psychiatric injury

Former leader of Plaid Cymru, Lord Wigley, hosted APIL’s parliamentary reception in the House of Commons, where the association launched a campaign to reform the law on psychiatric injury to coincide with the 25th anniversary of the Hillsborough Stadium disaster. The event was attended by a cross-party group



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of MPs and peers, as well as journalists from national newspapers and legal publications. Following the event, MPs joined with APIL in the press to call for reform in the law, and MPs signed an early day motion in support of the campaign.

SARAH Bill

A new parliamentary year started in June, with the Queen announcing the Social Action, Responsibility and Heroism (SARAH) Bill, which would give direction to the courts to take into account whether a defendant acts “heroically, responsibly or for the benefit of others” if he is sued for negligence or breach of statutory duty. In September, APIL president John Spencer appeared in front of a parliamentary committee and explained to MPs why the Bill is unnecessary. APIL continued to provide briefings to MPs and peers on the Bill, with the Bill receiving a rough ride in the House of Lords. Lord Pannick QC, a leading opponent of the Bill, rubbished the proposal in the House of Lords, calling it a “statement of the legally obvious”.

APIL manifesto

A manifesto was produced by APIL in 2014, ahead of the next General Election. The manifesto is an agenda of actions the next Government should take to prevent needless injury and ensure people who are injured through no fault of their own receive the justice they need. The manifesto has already been discussed with MPs across all parties, including Labour’s shadow justice minister, as well as prospective parliamentary candidates.

Medical Innovation Bill

After several previous attempts, Lord Saatchi’s Medical Innovation Bill finally got off the ground and started making its way through the parliamentary process in the House of Lords. APIL attended roundtable meetings, both with Lord Saatchi and the Department of Health, and drafted briefings for peers in opposition to the Bill. Despite a strong PR campaign from supporters of the Bill, APIL’s briefings and proposed amendments during debates have assisted peers who have made strong arguments against the Bill.

Fundamental dishonesty

A last-minute Government amendment to the Criminal Justice and Courts Bill aimed to tackle ‘fundamental dishonesty’ in personal injury law. MPs were given no time to debate the amendment, which meant peers were the first parliamentarians to consider the proposals. In briefings, APIL warned peers that an introduction of a new power for blanket dismissal of a case

for ‘fundamental dishonesty’ would lead to an increase in satellite litigation, an increase in spurious allegations of fraud (or ‘fundamental dishonesty’) by unscrupulous insurers, and an increase in the number of genuine claimants who either underplay their symptoms or who fail to bring valid cases at all, for fear of being falsely accused. APIL supported moves by the opposition front bench to dilute the proposals in the Bill, but these were unsuccessful.

Parliamentary committees

APIL continued to provide evidence to parliamentary committees throughout 2014. Written evidence was submitted to the House of Commons Justice Select Committee as part of its inquiry into mesothelioma claims, while written evidence was also sent to the House of Lords Select Committee on the Constitution, which launched an inquiry into the office of Lord Chancellor. APIL also responded to a call for evidence from the All-Party Parliamentary Group on Spinal Cord Injury as part of its special inquiry into local health service provision for patients being discharged from Spinal Cord Injuries Centres.

Scotland: Parliamentary campaign

Members of the Scottish Parliament approved proposals for civil court reform by passing the Courts Reform (Scotland) Bill. The impact will be to move almost all personal injury cases from the Court of Session into the sheriff courts, and introduce a specialist court for personal injury. While APIL supported many of the reforms in principle, it expressed serious concerns about the far-reaching impact of effectively ending the Court of Session’s role as a court of first instance for personal injury. This, together with the expression of fundamental concerns about how the reforms would be resourced, formed the basis of APIL’s evidence to the Scottish Parliament’s finance and justice committees.



John Spencer appearing at the Select Committee

APIL Scotland co-ordinator Ronnie Conway appeared in front of both committees on consecutive days early in the year and APIL briefed MSPs, both in person and through written briefings, throughout the Bill’s passage, resulting in a scrutiny of the financial implications of the Bill which was almost unprecedented, and the association being mentioned more than a dozen times during parliamentary debate.

Northern Ireland: Parliamentary campaign

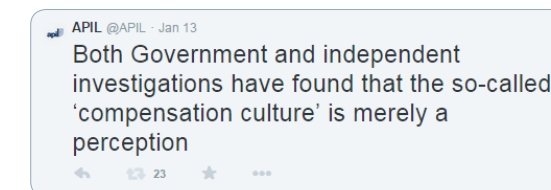
APIL representatives visited the Northern Ireland Assembly to share with assembly members the association’s concerns with proposals in the Legal Aid and Coroners’ Courts Bill. The Bill abolishes the Northern Ireland Legal Services Commission, creating instead a position of Director of Legal Aid Casework, who will be responsible for the allocation of legal aid funding. As part of their consideration on the Bill, Members of the Northern Ireland Assembly heard APIL’s concerns that there was no requirement for the director to be legally trained.

APIL in the media

After a year of intense media interest in whiplash claims, the small claims court limit and the so-called ‘compensation culture’, 2014 provided an opportunity for APIL spokesmen to re-group and talk about other issues.

Press coverage in 2014 included the launch of the association’s campaign for a fairer system of awarding compensation for psychiatric injury, concerns about the Medical Innovation Bill introduced by Lord Saatchi and the Government’s Social Action, Responsibility and Heroism (‘SARAH’) Bill.

Social media



APIL’s Twitter account keeps APIL members, the public and opinion-formers updated about APIL news and campaigns and its reach more than doubled during the year. Tweets were posted at least twice a day on average and the feed gained 600 new followers. During the year, APIL’s tweets were re-tweeted by other Twitter users to their followers just under 10,000 times. Tweets

in which the association rebutted common myths about the compensation system proved especially popular, along with tweets about the psychiatric injury campaign, and live tweets from conferences. During the year the account’s followers included individual parliamentarians, Labour Lords; Labour DWP; Transport Select Committee; national, professional and regional journalists; legal and medical organisations; safety organisations, and charities.

APIL’s LinkedIn page includes more in-depth information about, and links to, issues relating to the organisation’s objectives, including links to topical blogs from the chief executive, executive committee members and other ‘guest’ bloggers from within the organisation.

Press coverage

The association generated coverage equating to a print circulation of 11 million, most of which was generated proactively, although the association’s ‘zero tolerance’ policy of rebutting myths and misconceptions continued.

Coverage in the national press included articles and letters in The Times about the law on psychiatric injury and the Medical Innovation Bill, the Financial Times on car insurance and the Daily Telegraph on the Medical Innovation Bill. Online, APIL was mentioned on average in three web articles each week. Websites featuring the organisations messages included Telegraph Online, Law Society Gazette, Times Online, Guardian.com and Legal Futures.

Throughout the year the association featured regularly in the Law Society Gazette, POST Online, Legal Futures, Litigation Futures, Solicitors Journal, New Law Journal, Claims Magazine and Modern Law Magazine.

Regional newspaper coverage accounted for a circulation of almost five million. Letter writing campaigns continued to prove particularly popular, and we are grateful to those members who assisted with these by agreeing to send letters to their local newspapers on issues including the impact of the Legal Aid, Sentencing and Punishment of Offenders Act on people with dementia-related claims, the SARAH Bill and the psychiatric injury campaign.

APIL’s profile increased dramatically in the Scottish national press, largely due to campaigning work on the controversial Civil Courts Reform (Scotland) Bill. The association’s oral and written evidence to committees of the Scottish Parliament received particularly prominent coverage in the Herald.



APIL also celebrated 40 years of the Health and Safety at Work Act by highlighting the UK's safety success, such as the safest Olympics on record and an incident-free Commonwealth Games.



Consumer press work

While considerable effort is directed at generating coverage on law reform issues, work continues to deliver on another of APIL's key objectives of alerting the public to hazards wherever they arise. Consumer-focussed press work included stories about skiing injuries and winter sports insurance, and the risk of invalidating holiday insurance if overseas travellers do not adhere to local laws and customs, such as laws relating to jaywalking.

APIL also celebrated 40 years of the Health and Safety at Work Act by highlighting the UK's safety success, such as the safest Olympics on record and an incident-free Commonwealth Games.

The association also joined forces with the TUC on a report to dispel popular myths about the so-called 'compensation culture'. APIL press release and comment was picked up by the Belfast Telegraph, Morning Star and other regional newspapers, as well as radio stations LBC 97.3, and City Talk.



Ronnie Conway addressing the Scottish Parliament

Research

Claims Portal user satisfaction survey

Claims Portal Ltd (CPL) board decided to undertake some research in early 2014 in order to help improve the performance and functionality of the Portal. To this end, APIL worked in conjunction with the CPL board in developing a user satisfaction survey for portal users; the survey was subsequently launched on 13 January 2014. The Motor Insurers' Bureau (MIB), which manages the portal, sent out the survey link to nearly 9,000 contacts in total, including all Portal admin users. Overall nearly half of respondents indicated that they were 'satisfied' or 'very satisfied' with the claims portal.

'Effects of the Jackson reforms - one year on' survey

In order to inform APIL's written submission to the Civil Justice Council's (CJC) conference on the impact of the Jackson reforms one year after their implementation held in March, a membership survey was undertaken to examine early signs of their impact on the civil justice system. The survey focused on the types of cases being taken on (and not being taken on) by law firms. It was sent to all English and Welsh practitioner members in February 2014. The results indicated that there were already early signs of undesirable impacts, with low value cases, regardless of liability, not being taken on as readily post-1st April 2013. In addition, the majority of respondents indicated that they thought that the ten per cent uplift in damages hadn't offset the non-recoverability of success fees and ATE premiums introduced by LASPO.

Whiplash reforms - data requirements

As part of the data gathering process and on-going work around the Government's whiplash

reform programme, the core steering group, of which APIL is a member, was asked by the Ministry of Justice (MoJ) to develop a series of polls to gather information from stakeholders. Surveys were drafted for both medical experts and claimant representatives to collect data on the costs of obtaining medical reports for whiplash-type soft-tissue injuries. APIL subsequently hosted the surveys which were sent out in mid-May. The results of the surveys were summarised by the MoJ in late-November.

Rehabilitation survey

In order to inform APIL's on-going work on rehabilitation, members were surveyed in March / April on variety of connected issues. The survey revealed that nearly 95 per cent of respondents indicated that they "always consider rehabilitation" for their clients and over 70 per cent of respondents felt that the use of rehabilitation in the personal injury claims process has increased over the last five years. Most respondents felt that rehabilitation was a success for claims, regardless of value.

User pays survey

Following discussions at the Claims Portal Ltd (CPL) board about introducing the requirement for claimants (or their representatives) to pay to submit claims to the portals, (known as user pays), APIL undertook a survey in June/July asking members for their thoughts on such a scheme. These views were subsequently reported back to APIL's representative on the CPL board.

APIL data-sharing survey

As part of APIL's on-going work in tackling fraud, there have been discussions this year with MASS, the ABI, the Law Society and the Ministry of Justice (MoJ) about the possibility of greater data sharing between claimants and insurers. To this end, a new data-sharing scheme was proposed which operated along broadly the same lines as the current 'askMID' database, but would reference the Claim and Underwriting Exchange Personal Injury (CUEPI) database instead. In order to inform these discussions, APIL surveyed the membership in August/September. Of the 117 APIL members who responded, nearly 90 per cent of respondents indicated that they would support the introduction of a data-sharing scheme.

APIL protocols survey

In order to examine how the new low value employers' liability (EL) and public liability (PL) personal injury protocols were working, APIL surveyed the members in June. This was approximately a year after the introduction of the new protocols. In particular APIL wanted to know whether any of the bad practices associated with the low-value RTA Protocol and claims portal were being replicated.

APIL professional indemnity insurance (PII) survey

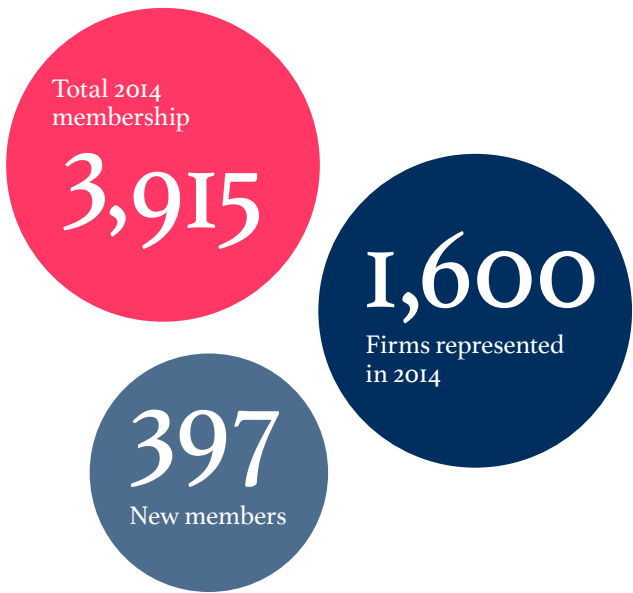
The Solicitors Regulation Authority (SRA) is looking to significantly amend the current arrangements around professional indemnity insurance (PII), in particular reducing the compulsory level of cover and the need to purchase it from rated insurers only. APIL undertook research in October / November to ascertain members' views on the proposed changes. Nearly three-quarters of people felt that the lowering of the compulsory PII limit would represent a potential risk to consumers, with well-over half strongly indicating so. The use of unrated insurers was also felt to be a potential risk to consumers.

APIL/YouGov accreditation survey

To promote APIL's industry-leading accreditation scheme, we commissioned YouGov - an internet-based market research firm - to undertake a survey of 800 UK adults who had made a personal injury claim using a lawyer. The survey was undertaken in November.

YouGov Benchmarking survey

We continue to monitor the personal injury market in order to monitor what changes, if any, new legislation and policy have in terms of access to justice. APIL has undertaken consumer research to gauge what is happening in terms of personal injury cases being brought and level of damages. This research consists of a commissioned omnibus survey, using a general UK population sample of 4,000, which is undertaken each May.



Statistics

Membership

In 2014, the membership total had reached 3,915, against a forecast of 3,557. A total of 397 new members were recruited during the year: an average of 33 per month.

At the beginning of the year APIL had a membership of 4,237 members. 4,198 renewals were circulated and 3,490 renewed, resulting in an attrition rate of 16.86 per cent, compared with 16.43 per cent in 2013 and 14.64 per cent in 2012.

As a result of the continuing government reforms to the way in which law firms can be owned and funded, a number of firms have merged and unfortunately, some have gone into administration. By the end of the year APIL represented over 1,600 firms, a little over 100 fewer firms than in 2013.

Categories

There are nine categories of membership:

Practitioners	3,463
Non practising members	22
Honorary life members	17
Barristers in chambers	134
Paralegals	156
Students	22
Academics	9
Overseas	78
Associate members	14
Total	3,915

Attendance at executive committee meetings
(maximum of 8) January – December 2014

John Spencer (President) a <i>Spencers Solicitors Ltd, Chesterfield</i>	7
Jonathan Wheeler (Vice President) b <i>Bolt Burdon Kemp, London</i>	8
Stuart Kightley, (Secretary) <i>Osbornes Solicitors LLP, London</i>	8
Nigel Tomkins, (Treasurer) <i>Nigel Tomkins Consultancy, Nottingham</i>	4
David Bott, <i>Bott & Company Solicitors Ltd, Wilmslow</i>	5
Cenric Clement-Evans, f <i>NewLaw Solicitors, Cardiff</i>	7
Bridget Collier, <i>Fentons Solicitors, part of Slater & Gordon, Manchester</i>	7
Gordon Dalyell, <i>Digby Brown LLP, Edinburgh</i>	6
Brian Dawson, <i>Walker Smith Way Ltd, Chester</i>	6
Brett Dixon e j <i>Smith Jones (Solicitors) Ltd, Burnley</i>	5
Colin Ettinger, <i>Irwin Mitchell LLP, London</i>	6
Stephen Glynn, e j <i>9 Gough Square, London</i>	3
Martin Hanna, f <i>Francis Hanna & Co, Belfast</i>	5
John McQuater, <i>Atherton Godfrey, Doncaster</i>	6
Victoria Mortimer-Harvey, <i>Pattinson & Brewer, London</i>	7
Matthew Stockwell, d <i>St John's Buildings, Liverpool</i>	4
Neil Sugarman, g <i>GLP Solicitors, Bury</i>	7
Karl Tonks, c i <i>Fentons Solicitors, part of Slater & Gordon, Manchester</i>	2
Mark Turnbull, f <i>Thompsons Solicitors, Liverpool</i>	4
Robert Webb, h i <i>HSR Law, Gainsborough</i>	2

- a Elected as president at AGM: 1 May 2014
- b Elected as vice president at AGM: 1 May 2014
- c Post as immediate past president ended at AGM: 1 May 2014
- d Post as immediate past president started at AGM: 1 May 2014
- e Elected at AGM: 1 May 2014
- f Re-elected at AGM: 1 May 2014
- g Co-opted to the executive committee at AGM: 1 May 2014
- h Stood down from executive committee prior to term of office expiry: 1 May 2014
- i Out of a possible total of three meetings before AGM
- j Out of a possible total of five meetings post election at AGM

Accreditation

Just under 29 per cent of eligible members are accredited, one percent less than were accredited last year.

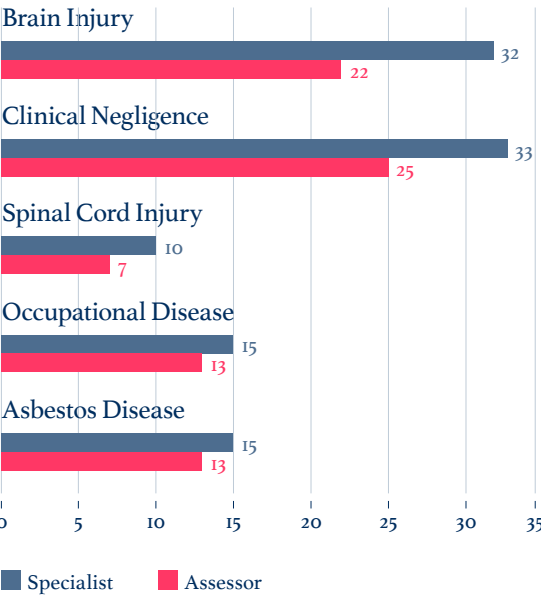
Figures as at 31 December 2014.

Litigators	198
Senior litigators	707
Fellows	157
Senior fellows	10
Specialist counsel	9
Total	1,081
Emeritus	18

- 44 externally accredited training providers
- 208 corporate accredited firms
- 78 in-house accredited firms

Specialist accreditation

Further quality marks for occupational and asbestos disease were introduced this year. At the end of 2014, the number of specialists and assessors in each specialist area was as follows:



	Specialists	Assessors
Totals 2014	105	80
Totals 2013	69	57

In 2013, the Legal Aid Agency recognised APIL's clinical negligence specialist accreditation scheme as being comparable to those provided by AvMA and the Law Society. APIL members are now able to apply for Legal Aid contracts on the basis of APIL specialist accreditation alone.

Promotion of accreditation

Work commenced this year with AccessSolicitors.com, a comparison website referred to us by the Legal Services Consumer Panel. Data has been shared and the organisation is in the process of updating its website to include APIL accredited members.

Revalidation

82 per cent (629 of 768 members) revalidated their individual accreditation status during 2014. Of the 139 members who did not revalidate, a small percentage expressed a wish to upgrade, a number did not renew, some plan to practice in areas other than personal injury, and several were granted Emeritus status.

Corporate monitoring

Site visits were undertaken at 12 firms, all of which passed their inspection.

Other monitoring

We continued to check individual training logs to ensure members have accrued sufficient hours and also that such training was accredited thus meeting APIL standards. Training delivered in-house, training delivered by other providers, and APIL training events were all monitored during 2014. For all training, we consider content, environment, quality of speakers and materials, and delivery. Monitoring activity and changes to accreditation criteria continue to be overseen by the training and accreditation committee and APIL's executive committee.

Code of conduct – review

The code of conduct has been reviewed and amended to take into account APIL's accreditation scheme, use of accreditation logos and legislative rules on referrals. Enforcement procedures have also been updated. The code will be reviewed annually.



Turnover fell by £413,272 in 2014, from the previous all-time high figure in 2013



Financial Report

Nigel Tomkins / Treasurer

In a year which we fully expected to be extremely difficult, both for our members and ourselves, I am delighted to report that the association has made a pre-tax surplus of some £160,097 in the 2014 financial year.

After the addition of the interest accrued on our investments over the year and following the necessary tax computations, this figure reduces to a respectable after tax surplus of £125,254. This is an outstanding result considering we started 2014 with the very real expectation of a deficit for the first time since 2005.

The fact that we are in such a healthy financial position at the year-end, at a time when we have all seen further shrinkage and consolidation in the personal injury sector, is due to a large degree to the un-stinting efforts of all our employees particularly in the events and membership teams, the commitment and professionalism of all our speakers and of course all those APIL members that continue to support us.

This having been said, it should be borne in mind that our turnover fell by £413,272 in 2014, from the previous all-time high figure in 2013. This was principally as a result of the drop in revenue from our public training events and to a lesser degree a drop in income from membership subscriptions. However, this loss of revenue was compensated for by a sizeable reduction in our expenditure, particularly in the servicing of training events and our overhead costs.

In terms of membership numbers, we have seen a net reduction this year of 322 members who have failed to renew their APIL membership for one reason or another. Obviously, any reduction in our membership numbers, however small, has a substantial impact on both of our key income streams. However the number was lower than might have been expected and in reality membership numbers have held up well bearing in mind the changing world of personal injury.

Our financial successes in 2014 include:

Annual conference at Celtic Manor, which although not as profitable as in previous years, made a surplus. It was well attended and supported by members, exhibitors and sponsors;

The clinical negligence and the brain and spinal injury conferences were heavily subscribed in 2014. Again they were well supported by exhibitors and sponsors alike, which of course improved our bottom line on both events;

APIL's partnership working with the insurance firm AON was recently re-negotiated on a three-year deal, as opposed to the previous annual arrangement;

Advertising revenue from PI Focus, although slightly less than in the previous year, maintained its market share in an extremely competitive environment.

In terms of our public training, the surplus generated in 2014 equates to approximately 40 per cent of the total income figure. This compares favourably with the previous Jackson reforms year, when the figure was a little over 45 per cent. The 2014 result was achieved in spite of the fact that there were 22 fewer public training events this year than in 2013.

Conversely, our in-house training and webinar events, generated combined income of £165,124 in 2014, compared to £135,576 the year before. Perhaps more importantly, the profit from these events increased by over £22,000 year-on-year.

I am pleased to report that in 2014 we have not incurred any expenditure which was not provisioned for in our annual budget. We have still not settled our outstanding account with the Treasury Solicitors (TSols), in relation to the judicial review challenge that we undertook in March 2013. We have of course made the necessary provision in our accounts for the full settlement of this account.

In terms of our cash holdings, I can report that in spite of the reduction in our total revenues referred to earlier, the cash position has held up

particularly well at £1,242,349. This figure is only £200 below our cash holdings at the end of 2013.

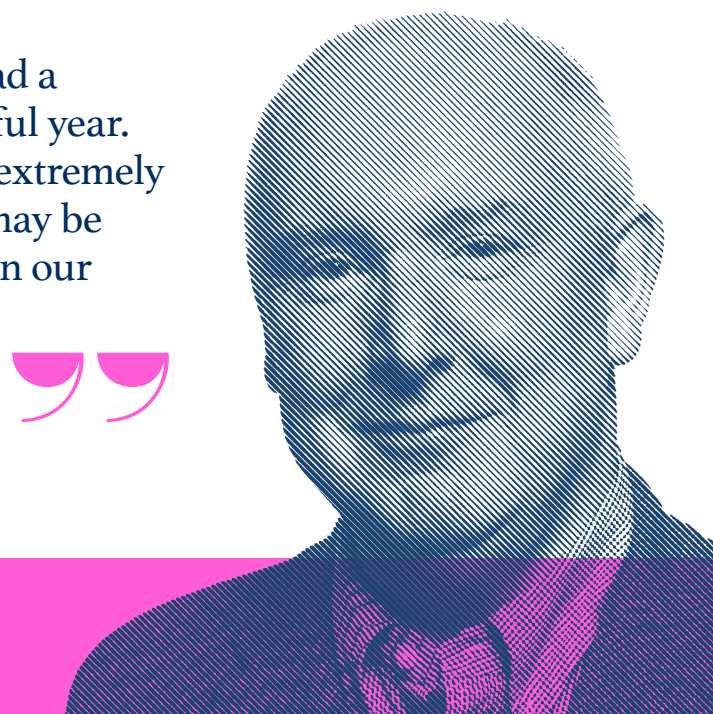
There has been no requirement to call on APIL's reserves this year which means with the after-tax surplus from this year added to them, they stand at £969,163. Although, this is a substantial sum, it is necessary to afford the organisation the financial ability, if deemed appropriate, to fund future judicial reviews or advertising/political campaigns which we consider are aligned to APIL's aims and objectives.

APIL made only one charitable donation in the year under review, donating £1000 to UKABIF (United Kingdom Acquired Brain Injury Forum), from the funds raised at our golf day held at Celtic Manor in April 2014.

Financially, APIL has had a challenging but successful year. We are prepared for an extremely tough 2015 when there may be even greater pressures on our major income streams. I know that the executive committee and our dedicated staff at the APIL offices in Nottingham are prepared for and up to the challenges which lie ahead.

Nigel Tomkins,
Treasurer

Financially, APIL has had a challenging but successful year. We are prepared for an extremely tough 2015 when there may be even greater pressures on our major income streams



Year ended 31 December 2014

Report of the Executive Committee

The executive committee present their report and the audited financial statements for the year ended 31 December 2014. This report also forms the report of the directors, as required under s.415 of the Companies Act 2006.

Principal activity

The principal activities of the company are to campaign for improvements in personal injury law on behalf of injured people; to promote, encourage and develop expertise in the practice of personal injury law by education and the exchange of information and knowledge.

Directors

The directors shown below have held office during the whole of the period from 1 January 2014 to the date of this report.

C Clement-Evans
B Collier
G Dalyell
B M Dawson
C B Ettinger
M Hanna
S D Kightley
J E Mcquater
V Mortimer-Harvey
J L Spencer
M Stockwell
N L Sugarman
N Tomkins
K Tonks
M Turnbull
R Webb
J Wheeler

Other changes in directors holding office are as follows:

B Dixon - appointed 1 May 2014
S Glynn - appointed 1 May 2014

Financial risk management

The company's objective regarding financial risk management is to keep exposure of price risk, credit risk, liquidity risk and cash flow risk to a minimum. The company makes sales on normal credit terms and manages the related risks through its credit control procedures. In the opinion of the executive committee the exposure of such risks has been assessed and at present deemed to be low and at an acceptable level for the company to continue to operate.

Qualifying third party indemnity provisions

The company maintains liability insurance for directors and officers as permitted by section 234 of the Companies Act 2006

Provision of information to auditor

So far as each of the members of the executive committee are aware at the time the report is approved:

“ there is no relevant audit information of which the company's auditor is unaware, and

“ the members of the executive committee have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Statement of directors' responsibilities

The directors are responsible for preparing the report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom

Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the board:

S D Kightley
Director
Date: 23 March 2015

A company limited by guarantee

Independent Auditor's Report to the Members

We have audited the financial statements of Association of Personal Injury Lawyers (a company limited by guarantee) for the year ended 31 December 2014 on pages five to eleven. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial

statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for

which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

→ the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Jill Evenden
for and on behalf of EBS Chartered Accountants

Gothic House
Barker Gate
Nottingham
Nottinghamshire
NG1 1JU

Date: 24 March 2015

Year ended 31 December 2014

Income & Expenditure Account

	Notes	2014 £	2013 £
Turnover		2,447,972	2,861,244
Cost of sales		1,001,244	1,190,971
Gross surplus		1,446,728	1,670,273
Administration expenses		1,296,081	1,422,359
Operating surplus	2	150,647	247,914
Interest receivable and similar income		9,450	6,838
Surplus on ordinary activities before taxation		160,097	254,752
Tax on surplus on ordinary activities	4	34,843	54,737
Surplus for the financial year		125,254	200,015

Year ended 31 December 2014

Balance Sheet

	Notes	2014 £	2013 £
Fixed assets			
Tangible assets	6	531,052	545,518
Current assets			
Debtors	7	101,277	99,529
Cash at bank		1,242,349	1,242,559
		1,343,626	1,342,088
Creditors			
Amounts falling due within one year	8	730,353	839,392
Net current assets		613,273	502,696
Total assets less current liabilities		1,144,325	1,048,214
Creditors			
Amounts falling due within one year	9	(174,100)	(202,936)
Provisions for liabilities	11	(1,062)	(1,369)
Net assets		969,163	843,909
Reserves			
Income & expenditure account	12	969,163	843,909
Members' funds		969,163	843,909

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 23 March 2015 and were signed on its behalf by:

N Tomkins
Director

Year ended 31 December 2014

Notes to the Financial Statements

1. Accounting policies

Basis of preparing the financial statements

The financial statements are prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The particular accounting policies adopted are described below. The profit and loss account has been replaced by an income and expenditure account as the executive committee considers that this statement is more appropriate given the nature of the company's activities.

Accounting convention

The financial statements are prepared under the historical cost convention.

Income

Membership subscriptions to the association cover a period of twelve months to 31 March each year. Subscriptions received during the year have been credited to the income and expenditure account, subject to the deferral of three months of each subscription, representing that portion attributable from 1 January 2015 to 31 March 2015.

Other income represents income from conferences, training events and publishing, and is recognised when the contractual obligations of the service for which the receipt relates have been delivered.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	2% on cost
Fixtures and fittings	20% on cost

Deferred tax

Deferred taxation is made for material deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of

underlying timing differences can be deducted.

Deferred assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Interest receivable

Interest receivable is credited to the income and expenditure account on an accruals basis.

Leases

Operating lease rentals are charged against income in equal amounts over the lease term.

2. Operating Surplus

The operating surplus is stated after charging:

	2014	2013
	£	£
Depreciation-owned assets	17,733	17,608
Loss / (profit) on disposal of fixed assets	-	857
Pension costs	38,195	37,879
Directors' remuneration and other benefits etc	-	-

3. Auditors' remuneration

	2014	2013
	£	£
Auditors remuneration	4,500	4,500

4. Taxation

Analysis of the tax charge

The tax charge on the surplus on ordinary activities for the year was as follows:

	2014	2013
	£	£
Current tax		
UK corporation tax	34,935	54,522
Deferred tax	(92)	215
Tax on surplus on ordinary activities	34,843	54,737

5. Membership subscriptions

	2014	2013	2014	2013
	No	No	£	£
Practitioner members	3,601	3,746	745,945	869,286
Student members	22	24	1,155	1,260
Paralegal members	156	331	17,160	51,510
Academic members	9	9	810	810
Overseas members	78	83	7,900	8,300
Honorary members, Associate members, previous year	49	44	6,298	5,370
Total	3,915	4,237	779,268	853,910
Add deferred income brought forward			212,728	228,894
Less deferred income carried forward			(193,733)	(212,728)
Total			798,263	870,076
Corporate accreditation income received in the year			84,942	93,164
Add deferred income brought forward			32,710	34,568
Less deferred income carried forward			(31,218)	(32,710)
			86,434	95,022
			884,697	965,098

6. Tangible fixed assets

	Land & Buildings	Plant & Machinery	Totals
	£	£	£
Cost			
At 1 January 2014	577,135	46,543	623,678
Additions	-	3,267	3,267
At 31 December 2014	577,135	49,810	626,945
Depreciation			
At 1 January 2014	46,172	31,988	78,160
Charge for year	11,543	6,190	17,733
At 31 December 2014	57,715	38,178	95,893
Net book value			
At 31 December 2014	519,420	11,632	531,052
At 31 December 2013	530,963	14,555	545,518

7. Debtors: Amounts falling due within one year

	2014	2013
	£	£
Trade debtors	53,292	53,796
Other debtors	47,985	45,733
	101,277	99,529

8. Creditors: Amounts falling due within one year

	2014	2013
	£	£
Trade creditors	32,686	127,342
Taxation and social security	57,560	68,439
Other creditors	640,107	643,611
	730,353	839,392

9. Creditors: Amounts falling due after more than one year

	2014	2013
	£	£
Other creditors	174,100	202,936

Creditors include amounts not wholly repayable within 5 years as follows:

	2014	2013
	£	£
	38,694	78,079

The mortgage is secured on the property, Unit 3 Riverside Business Park, Nottingham.

10. Operating lease commitments

The following operating lease payments are committed to be paid within one year:

	2014	2013
	£	£
Expiring:		
Within one year	9,524	-
Between one and five years	-	6,426
	9,524	6,426

11. Provisions for liabilities

	2014	2013
	£	£
Deferred tax	1,062	1,369
	Deferred tax	
	£	
Balance at 1 January 2014		1,369
Utilised during year		(307)
Balance at 31 December 2014		1,062

12. Reserves

	Income & Expenditure Account
At 1 January 2014	843,909
Surplus for the year	125,254
At 31 December 2014	969,163

13. Related party transactions

The following amounts have been paid to members of the executive committee for their provision of services as trainers (applies only to full day training provision), to the company in the year. All transactions are at arm’s length and are on normal commercial terms. The amounts disclosed only relate to the period in which the members are elected to executive committee.

	2014	2013
	£	£
N Tomkins	62,454	83,508
D Bott	-	5,990
B Dawson	1,179	-
J McQuater	67,073	65,588
C Clement - Evans	5,581	9,376
S D Kightley	707	910
B Dixon	10,830	-
N Sugarman	2,566	-

14. Share capital

The company is limited by guarantee and does not have share capital. Every member of the Association undertakes to contribute such amount as maybe required (not exceeding £1) to the assets of the Association if it should be wound up.

15. Ultimate controlling party

The company is limited by guarantee and has no shareholders. Under the constitution the Executive Committee is the ultimate controlling party.

Year ended 31 December 2014

Detailed Income & Expenditure Account

	2014	2013
	£	£
Turnover		
Membership	1,020,219	1,093,787
Conference, SIGS and regional meetings	607,064	628,215
Training events	730,762	1,045,584
Publishing	89,927	93,658
	2,447,972	2,861,244
Cost of sales		
Membership	22,755	32,643
Conference	440,085	445,058
Training events	421,588	577,062
Legal affairs, research & comms	49,484	70,375
Publishing	67,332	65,833
	1,001,244	1,190,971
Gross surplus	1,446,728	1,670,273
Other income		
Deposit account interest	9,450	6,838
	1,456,178	1,677,111

	2014	2013
	£	£
Expenditure		
Wages	833,374	831,833
Social security	77,094	73,368
Pensions	38,195	37,879
Recruitment	202	845
Property costs	63,537	68,975
Staff training	7,985	9,726
Post and other costs	198,602	226,713
Travelling	5,740	9,043
IT costs	15,273	13,480
Executive committee	33,837	43,641
Judicial review	10	83,873
Auditors' remuneration	4,500	4,500
Depreciation of tangible fixed assets	17,732	17,626
Profit/loss on sale of tangible fixed assets	-	857
	1,296,081	1,422,359
Net surplus	160,097	254,752

Officers & Executive Committee Members

John McQuater
Atherton Godfrey
Doncaster



Bridget Collier
Fentons Solicitors
part of Slater & Gordon
Lawyers, Manchester



Colin Ettinger
Irwin Mitchell LLP
London



Stephen Glynn
9 Gough Square, London



Mark Turnbull
Thompsons
Solicitors LLP
Liverpool



Brian Dawson
Walker Smith Way Ltd, Chester



Stuart Kightley
Secretary
Osbornes Solicitors LLP
London



Victoria Harvey
Pattinson & Brewer,
London (Until 19/12/2014)



Neil Sugarman
GLP Solicitors, Bury
(Co-opted from
1/5/2014)



Brett Dixon
Smith Jones Ltd
Burnley



Cenric Clement-Evans
NewLaw Solicitors
Cardiff



Jonathan Wheeler
Vice President
Bolt Burdon Kemp, London



Gordon Dalyell
Digby Brown LLP
Edinburgh



John Spencer
President
Spencers Solicitors Ltd
Chesterfield



Martin Hanna
Francis Hanna & Co
Belfast



Matthew Stockwell
Immediate
past president
St John's Building
Chambers
Liverpool



Nigel Tomkins
Treasurer
Nigel Tomkins
Consultancy
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Robert Webb
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